

## FISCAL NOTE

### SB 2417 - HB 2778

January 30, 2004

**SUMMARY OF BILL:** Requires persons engaged in home solicitation sales to submit to a criminal background check. A person or business entity engaging in home solicitation sales will be required to obtain a home solicitation sale permit for a fee of \$50.00 from the county clerk where solicitation sales will be conducted. Such person or entity will also be required to pay the cost of a TBI background check. Conducting home solicitation sales without a permit or falsifying information on a home solicitation sales permit would be punishable as a Class B misdemeanor.

#### ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$400,000**

**Increase State Revenues - \$400,000**

**Increase Local Govt. Revenues - \$500,000**

**Increase Local Govt. Expenditures\* - \$500,000**

Estimate assumes:

- a minimum of 10,000 permits will be issued annually;
- TBI will conduct background checks at a cost of \$40 per investigation (TBI retains \$16 and pays FBI \$24 per background check);
- \$50.00 permit fee will be paid to local government for the collection of permit fees and to cover the costs to issue the permits and to maintain records.
- additional impact on local government revenues and expenditures depends upon the number of persons convicted of the Class B misdemeanor offense and the resulting increased cost to local governments to confine such persons versus the increased revenues to local governments from fines levied and collected under the provisions of this bill which is not estimated to be significant.

\*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

#### CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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